GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3605
ANSWERED ON:08.08.2016
Trade with China through Nathu La Pass
P. Shri Nagarajan;Rai Shri Prem Das;Rao (Avnthi) Shri Muthamsetti Srinivasa

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total value of imports and exports with China made through Nathu La Pass during the last three years;
(b) whether the Chinese Authorities have requested the Indian Government to include more items in the list of traded commodities with them through the Nathu La Pass from the present limit for export of 29 items and import of 15 items;
(c) if so, the details thereof along with the action taken by the Government on this request; and
(d) the steps taken by the Government to provide incentives to domestic manufacturers in order to mitigate the cost of competitiveness to Chinese products?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a): Value of imports and exports with China through Nathu La Pass during last three years is given below:-

(Value in Indian Rupees)

Year	Import	Export	Total Trade
2013-14	1,16,70,489/-	7,75,26,935/-	8,91,97,424/-
2014-15	12,36,20,000/-	16,04,43,830/-	28,40,63,830/-
2015-16	11,04,86,636/-	60,25,69,967/-	71,30,56,603/-
Total	24,57,77,125/-	84,05,40,732/-	1,08,63,17,857/-

(Source: DoR/CBEC)

(b) & (c): The list of commodities through the India- China border, was expanded and notified by Directorate General of Foreign Trade on 7 May 2012, consists of 20 items for import from China and 36 items for export to China. DGFT in May 2015, notified the increase in the Cost Insurance and Freight (CIF) value per consignment from Rs.1,00,000/- to Rs.2,00,000/-, for border trade between India and China through Nathu La,
According to the information received from Embassy of India, Beijing, In April 2015, India requested China to add the 4 items for import in India (Salt-Tea, Pulses, Canned Food and Woolen & Cotton Clothes) and 7 items for export to China (Sugar, Artificial Jewelry, Pulses, Carton boxes with trays, Fodder, Local Grains, Brass Products). China in May 2015 suggested addition of 13 items for import in India (Garments, Bed-sheets, Tibetan Furniture, Porcelain, Electric Appliances, Food products, Cigarettes, Agricultural Products, Meat and Dairy Products, Silk and Fabric, Copper products, Jewellery, Featured Products) and 11 items for export to China (Garments, Bed-sheets, Kitchenware, Food Products, Copper Products, Civilian Products for Buddhist use, Local Spices, Cigarettes and Wine, Agricultural Products, Jewellery, Featured Fabrics). However, no formal request from China has been received to include these items in the list of traded commodities through the Nathu La Pass.
(d): The Government has taken various measures to extend support to exporters including exports to China which are indicated below:-
i. The New Foreign Trade Policy (2015-20) was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports and improving the 'Ease of Doing Business'. The FTP introduced two new schemes, namely, 'Merchandise Exports from India Scheme' (MEIS) for incentivising export of specified goods to specified markets and 'Service Exports from India Scheme' (SEIS) for promoting export of notified services from India, by consolidating earlier schemes.

ii. In the light of the major challenges being faced by Indian exporters in the backdrop of the global economic slowdown, the envisaged revenue outgo under MEIS was increased from Rs. 18000 Crore to Rs. 21000 crore in October 2015 with accompanying enhancement in benefits on certain products and inclusion of certain additional items.

iii. By way of trade facilitation and enhancing the ease of doing business Government has reduced the number of mandatory documents required for exports and imports. The trade community can file applications online for various trade related schemes.
*****